

AMENDED IN ASSEMBLY MAY 23, 2001

AMENDED IN ASSEMBLY APRIL 19, 2001

AMENDED IN ASSEMBLY APRIL 16, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

## ASSEMBLY BILL

No. 1200

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**Introduced by Assembly Member Cardenas**

**(Coauthors: Assembly Members Briggs, Calderon, Diaz, Frommer, Goldberg, Havice, Kelley, Robert Pacheco, Pescetti, Strickland, and Vargas)**

**(Coauthors: Senators Alarcon, Polanco, and Soto)**

February 23, 2001

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An act to add Section 706 to the Public Utilities Code, relating to public utilities.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1200, as amended, Cardenas. Public Utilities Commission: telecommunications.

Existing law authorizes the Public Utilities Commission to supervise and regulate every public utility in the state and to do all things that are necessary and convenient in the exercise of that power and jurisdiction. Pursuant to its powers, the commission has issued orders and regulations.

This bill would require the commission to conduct a study as to the ways to amend, revise, and improve rules governing the handling of telecommunications matters by the commission without *unduly* compromising the ability of the commission to protect consumers and to ~~develop~~ *promote* and maintain ~~any~~ competitive markets. The bill

would require the study to include an evaluation of whether the commission should regulate any service, except local exchange service, offered by incumbent local exchange carriers differently than it regulates any comparable service offered by competitive local exchange carriers. The bill would require the commission to submit a report on the study to the Legislature on or before May 1, 2002.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares as follows:

(a) The people of California benefit when telecommunications providers are permitted to offer new, enhanced, and improved services to telecommunications consumers on the most expedited basis possible in a manner consistent with the ~~duty of the commission to protect ratepayers and the development and maintenance of any competitive markets.~~ *duties of the commission, including the duties to protect consumers, and promote and maintain competitive markets as provided in existing law.*

(b) Telecommunications consumers in California further benefit by equity and fairness in the regulation and oversight of competitive telecommunications markets.

(c) In assessing the equity and fairness of its regulations, the commission should take into account, *among other factors*, differences in the competitiveness of telecommunications markets.

SEC. 2. Section 706 is added to the Public Utilities Code, to read:

706. (a) The commission shall conduct a study as to the ways to amend, revise, and improve rules governing the handling of telecommunications matters by the commission without *unduly* compromising the ability of the commission to protect consumers and to ~~develop and maintain any~~ *promote and maintain* competitive markets. The issues to be addressed shall include, but are *not* limited to, all of the following:

(1) How to ensure equity in application of the rules among competitors so that no provider has an undue competitive advantage. This portion of the study shall include an evaluation of

1 whether the commission should regulate any service, except local  
2 exchange service, offered by incumbent local exchange carriers  
3 differently than it regulates any comparable service offered by  
4 competitive local exchange carriers. If it is determined that any  
5 service or category of services warrants differential regulatory  
6 treatment, the study shall identify the basis on which differential  
7 treatment is warranted and the nature of the differential treatment.

8 (2) How the commission can reduce the time for reviewing  
9 matters, including, but not limited to, advice letters, applications,  
10 complaints, rulemakings, and investigations.

11 (3) How to ensure that new services can be brought to  
12 customers as quickly as possible.

13 (4) How to provide more flexibility to utilities in providing  
14 their services and meeting competition.

15 (5) What matters that are currently handled under an  
16 application process should instead be handled under rules  
17 governing informal filings.

18 (b) The commission shall submit a report on the study required  
19 by subdivision (a) to the Legislature on or before May 1, 2002.

